

NEWS RELEASE

For Information Contact:
Liberty All-Star Equity Fund
1-800-241-1850
www.all-starfunds.com

For Immediate Release

Liberty All-Star[®] Equity Fund Announces New Portfolio Manager

BOSTON, December 18, 2009 -- The Board of Trustees of Liberty All-Star Equity Fund (NYSE: USA) has appointed Cornerstone Capital Management, Inc. as one of the Fund's five investment managers effective December 21, 2009 replacing Chase Investment Counsel Corporation.

Thomas G. Kamp, CFA, President and Chief Investment Officer of Cornerstone, will serve as the portfolio manager to the Fund. Mr. Kamp, who has been with Cornerstone since 2006, has 18 years of investment experience.

Mr. Kamp and his investment team practice a large capitalization growth investment style, which will be used to manage their portion of the Fund's assets. Liberty All-Star Equity Fund's other portfolio managers are Matrix Asset Advisors, Inc., Pzena Investment Management, LLC, Schneider Capital Management Corporation and TCW Investment Management Company.

ALPS Advisors, Inc. is the fund manager of the All-Star Equity Fund, a multi-managed, closed-end investment company with \$935 million in net assets. The Fund's shares are listed on the New York Stock Exchange under the symbol USA.

The Liberty All-Star Equity Fund is a closed-end fund and does not continuously offer shares. The Fund trades in the secondary market, investors wishing to buy or sell shares need to place orders through an intermediary or broker. The share price of a closed-end fund is based on the market's value.

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